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Original did not go to JA

FE - Mr. Allison

March 12, 1953.

PSA - Mr. Bensal

KMT Troops in Burma

Problem

Whether we should not secure firm agreement of the Chinese Nationalist Government to the principle of evacuating as many KMT troops from Burma as possible and commence discussions with the Burmese Government before working out in any detail proposals for a tripartite commission of Chinese Nationalist, Burmese, and United States representatives to proceed to the area in Burma where the Chinese Nationalist troops are situated.

Background

There is attached a memorandum by Mr. Blancké outlining the recent developments concerning a fact-finding body and concluding that a joint group not empowered to make concrete proposals would not satisfy Burma and that Mr. Sebald's suggestion that a respected resident of the Chinese Community in Rangoon serve on a joint group would be more acceptable than the suggestion that Li Mi or his representative serve on the group.

Discussion

Further exploration of the suggestion that a joint fact-finding group be appointed should perhaps await discussion with the Burmese Government. The joint group would function on Burmese soil. Its composition and the scope of its functions would have to be agreed to and approved by the Burmese Government.

The Burmese Government would probably oppose the appointment of any commission whose functions were limited to fact-finding. The Burmese Government would probably maintain that the basic elements of the problem are already well known and might view any suggestion that such a commission be appointed as a move to postpone action and avoid the various inconveniences attendant upon a real effort to effect a solution. It is doubtful that the prospect that a fact-finding group might be set up would deter the Burmese Government from bringing the matter before the United Nations.

If the suggestion is made to the Burmese Government that a joint group be appointed to recommend practicable plans for

evacuation

TOP SECRET
Security Information

evacuation or for these troops to submit to the Burmese authorities, it is possible that the Burmese Government might feel compelled to suggest that no commission should be appointed without Communist Chinese representation. Ambassador Barrington speculated to this effect in his conversation with Mr. Allison. At any rate the Burmese Government would probably feel that it would have to consult the Chinese Communist Government and the result of such consultation might be insistence by Communist China on representation.

There are reports that General Li Mi is now too ill to serve on a fact-finding body. Assuming, however, that this is not the case it is not unlikely that the Burmese Government would have very strong objections to Li Mi or, as a matter of fact in any case, any deputy of Li Mi serving on a fact-finding group. Although the Burmese Government presumably would not object to Li Mi serving as an adviser in the background and furnishing necessary information, it would be difficult for the Burmese Government to accord any official status in Burma to a man whom they must represent to their own people as an outlaw.

Recommendation

It is suggested that the question of a commission or joint group be subordinated to securing agreement in principle to evacuation of as many of the KMT troops as possible on the understanding that the Chinese Nationalist Government would not be called upon to assist or carry out any evacuation scheme unless and until full agreement to such a scheme had been reached with the Burmese Government and, if appropriate, the Government of Thailand.

Attachment:
Memorandum.

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FE:PCA:RHMay:rk

GENESIS AND DEVELOPMENT OF THE CHINESE NATIONALIST GOVERNMENT'S SUGGESTION FOR A JOINT CHINA-BURMA-U.S. COMMISSION TO STUDY THE KMT SITUATION IN THE AREA

MESSAGES TO AND FROM TAIPEI

1. Taipei's 912 March 3

Rankin's first conference with Li Mi, 3-hour talk including U.S. Military Attaché, Colonel Latting. In conclusion General Li urged sending American observers to obtain true picture. Possibility their being accompanied by official Burmese observer was discussed and Li Mi had no (rpt no) objection. (This later cleared with President Chiang who would welcome such American inspection with Burmese observer attached.)

2. Taipei's 913 March 4

Comment Col. Latting served in Burma and knows country well; is willing to go if so ordered.

3. Taipei's 919 March 5

In discussing instructions to T.F. T'siang, China's representative to UN, says Foreign Office informing him that if US sees fit to send observers, Li Mi will cooperate and personally accompany group; Li also willing include a Burmese Government observer.

4. Taipei's 921 March 5

Rankin observes he has had no reaction to suggestion.

5. DEPTEL 659 March 5, to Taipei

In replying to Taipei's 921 Mr. Allison asserted that the Department saw no point in sending American and Burmese observers to the affected area. The question was not one of what were the direct effects in the case but of the over-all political implications and whether or not the continued KMT presence operated to strengthen or weaken the present non-Communist Burmese Government.

6. Taipei's 924 March 6

In his discussions with the Foreign Minister, the latter advanced the argument that an agreement to evacuate as many troops as possible

would

would be an empty gesture which would do more harm than good. The results would not include any appreciable movement of troops out of Burma but would rather remove what restraining influence was now exerted through Li Mi. Since the U.S. Government appeared unwilling to accept this viewpoint, the immediate dispatch of US and Burmese observers in Li Mi's company was proposed.

7. DEPTEL 571 March 6 to Taipei, Repd Rangoon 1338.

In reporting the interview with Ambassador Koo we instructed Rankin, in approaching the Foreign Minister, that if the Chinese would agree in principle to the removal of the troops, and to the US making this known officially to the Burmese Government, we requested comments from Taipei and Rangoon on the possible formation of a joint Burmese-Chinese-US commission which would negotiate the matter and if necessary visit the territory to determine what the most practicable steps would be. We recognized that the implementation of any such agreement would take time, but were convinced that unless some definite action were taken Burma could not be persuaded to keep the matter out of the UN.

8. Taipei's 936 March 8

At the beginning of a long statement handed to Counselor of Embassy Jones on March 7, the Foreign Minister repeated his argument that orders for the withdrawal of the troops would not, in his opinion, lead to their removal. On the contrary, such an order would probably result in causing greater confusion and lawlessness. "In view of these and other reasons, the Chinese Government has persuaded Li Mi to agree to the visit of a fact-finding group composed of US officers to his Chinese units in Burma. At this suggestion Li Mi has further agreed to the inclusion of non-Communist Burmese members in this group on the conditions that Li Mi himself would accompany the group. It is hoped that this mission will be able to determine whether or not it would be practicable for these troops to be withdrawn from Burma to Taiwan without causing additional adverse complications to the situation. My Government feels that this is the best practical approach to the problem."

Comment: Note that in Taipei's 912 Li Mi was reported as having agreed sending American observers, and that he referred only to one Burmese observer. In the Foreign Minister's statement, on the other hand, Li Mi has been persuaded.

9. Taipei's

9. Taipei's 941 March 9

In commenting on the statement referred to above Mr. Rankin points to the distinction between advance agreement to removal and principle and practical agreement after its feasibility has been determined.

MESSAGES TO AND FROM BANGKOK AND RANGOON

Just at this juncture reactions began to come in from Bangkok and Rangoon.

1. Bangkok's 1736 March 6

The first of these messages is not concerned directly with the Taipei offer. Ambassador Stanton reports arrival press statements that the Thai Government was studying a proposal to invite the representatives of Burma and China for a discussion of the problem of the Chinese Nationalist troops in Burma. Cabinet sources declined to comment; it was said no official announcement would be made until the Government reached a decision as to whether it would make the proposal formally. In his comment, the Ambassador remarked that the proposal was probably intended to substantiate denials of frequent Burmese charges of KMT bases in Thailand, and that the Burmese might welcome this opportunity to put pressure on the KMT troops.

2. DEPTEL 1421 March 10 to Rangoon, EETD INFO Rangoon 1725

The Department summarized for Rangoon and Bangkok the contents of Taipei's 935 and 941, including the proposal of a fact-finding group.

3. Rangoon's 1730 March 10

Rangoon's reaction to the request for comment in the Department's 671 (paragraph 7 in the Taipei section above). Sebald believed that every effort should be made to arrange with the Thais for repatriation through Thailand even to the extent of turning over the arms to the Thais and replacing them in Formosa. If agreement were reached to follow this course the commission might be enlarged to include Thai representation. Sebald suggested a small commission comprising a respected Chinese resident of Burma, for example, Li-Born-Tin, representatives of the Burmese and Thai Foreign Office and a member of the American Embassy at Rangoon, with field teams subject to the

terms

terms of reference laid down by the commission. The latter would meet at Rangoon, Bangkok or elsewhere, as necessary. Sebald doubted the GUS would accept a Chinese Nationalist Government official in view of the possible repercussions with Communist China. He added that the commission should be established with as little fanfare as possible, to minimize the chances for raising hopes which might not be fulfilled.

4. DAPTEL 1/23 March 10 to Rangoon

In informing Rangoon of Mr. Allison's talk with Ambassador Barrington, Mr. Allison mentioned the proposal for a joint Burmese-Chinese-US group to study the practicability of evacuation, but noted that Formosa had not agreed to take the consequent action if the group and the other governments agreed that an evacuation was feasible.

In our memorandum of the same conversation with Ambassador Barrington, dated March 9, mention was made of Thai Government's proposal (see paragraph 1 above). Mr. Barrington expressed interest in the press report, of which he had heard, that the Thai Government might invite representatives of Burma and China to discuss the KMT problem. Mr. Barrington thought that the proposal was not very good because it would really be necessary for the U.S. to participate in any discussions of measures that might be taken. Mr. Allison agreed that this was so and said that the US Government was prepared to do its part. In discussing the Chinese Nationalist proposal for a fact-finding body, Mr. Barrington was interested in the fact that it was the Chinese who had suggested it. Mr. Allison pointed out that we should want assurance that if such a fact-finding body should ascertain that it was practicable to take some of the troops out, the Chinese Nationalists Government would take the necessary steps.

Comment:

1. The idea of a fact-finding body would certainly be repugnant to the Burmese unless that body were empowered to make concrete

evacuation

evacuation proposals and the Chinese Government were committed in advance to follow its recommendations. To date we have been unable to persuade the Chinese to commit themselves that far; they suggest only that the group report on the number of Chinese troops practicable to evacuate, and how this could be done.

2. Although a representative of Li Mi would probably have to act as guide to the fact-finding group, such an individual would hardly be acceptable to the Burmese in the capacity of representing Nationalist China—in consideration of possible repercussions in the GPT if not for reasons of their own pride. Ambassador Scheid's suggestion of a respected Chinese resident of Burma thus has considerable merit, if it would be acceptable to Burma.

[illegible] as a compromise by Dr. Thanat [illegible] concerning a fact-finding body and establishing that a joint group not empowered to make concrete proposals could not satisfy Burma and such is Mr. Scheid's suggestion that a respected resident of the Chinese community in Burma serve on a joint group would be more acceptable than the suggestion that Li Mi or his representative serve on the group.

Discussion:

Further exploration of the suggestion that a joint fact-finding group be established should perhaps await discussion with the Burmese Government. The joint group would function as Burmese wish. Its composition and the scope of its functions would have to be agreed to and approved by the Burmese Government.

The Burmese Government would probably oppose the appointment of any committee whose functions were limited to fact-finding. The Burmese Government would probably maintain that the basic elements of the problem are already well known and that any suggestion that such a committee be organized as a means to postpone action and evade the serious implications attendant upon a real effort to effect a solution. It is doubtful that the prospect that a fact-finding body might be set up would deter the Burmese Government from bringing the matter before the United Nations.

FE:PSA:WWBlacke:ma:rk 3-12-53 the Burmese Government that a joint group be appointed to TOP SECRET practicable plans for

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